12 VAC 5-240-10. Definitions.

The following words and terms, when used in this chapter shall have the following meanings, unless the context clearly indicates otherwise:

"Acute inpatient facility beds" means any beds included in the definitions of "general medical/surgical beds" and "intensive care beds."

"Acute care inpatient facility" means any hospital, ambulatory surgical center providing overnight accommodations, or other medical care facility which provides medical care and distinct housing of patients whose length of stay averages at most 30 days.

"Department" means the Virginia Department of Health.

"General medical/surgical beds" means acute care inpatient beds located in the following units or categories:

1. General medical/surgical units that are organized facilities and services (excluding those

for newborns) available for the care and treatment of patients, not requiring specialized services; and

2. Pediatric units that are organized facilities and services maintained and operated as a distinct unit for regular use by inpatients below the age of 15. Newborn cribs and bassinets are excluded from this definition.

"Inpatient beds" means accommodations within a medical care facility with continuous support services (such as food, laundry, housekeeping) and staff to provide health or health-related services to patients who generally remain in the medical care facility in excess of 24 hours. Such accommodations are known by various nomenclatures including but not limited to; nursing facility beds, intensive care beds, minimal or self care beds, insolation beds, hospice beds, observation beds equipped and staffed for overnight use, and obstetric, medical surgical, psychiatric, substance abuse, medical rehabilitation and pediatric beds including pediatric bassinets and incubators. Bassinets and incubators in the maternity department and beds located in labor and birthing rooms, emergency rooms, preparation or anesthesia inductor rooms, diagnostic or treatment procedure rooms, or on-call staff rooms are excluded from this definition.

"Intensive care beds" means acute inpatient beds that are located in the following units or categories:

1. General intensive care units (ICU) means those units in which patients are concentrated, by reason of serious illness or injury, without regard to diagnosis. Special lifesaving techniques and equipment are immediately available, and patients are under continuous observation by nursing staff specially trained and selected for the care of this class of patient;

2. Cardiac care units (CCU) means special units staffed and equipped solely for the intensive care of cardiac patients;

3. Specialized intensive care units (SICU) means any units with specialized staff and equipment for the purpose of providing care to seriously ill or injured patients for selected categories of diagnoses. Examples include units established for burn care, trauma care, neurological care, pediatric care, and cardiac surgery recovery. This category of beds does not include neonatal intensive care units; and

4. Progressive care units (PCU) means any units which have been established to care for seriously ill or injured patients who do not require the continuous level of care available in an intensive care unit but whose conditions require monitoring at a level which is generally not available in a general medical/surgical bed.

"Licensed bed" means those inpatient care beds licensed by the department's Office of Health Facilities Regulation.

~~"Metropolitan statistical area (MSA)" means a general concept of a metropolitan area that consists of a large population nucleus together with adjacent communities which have a high degree of economic and social integration with the nucleus. Each MSA has one or more central counties containing the area's main population concentration: an urbanized area with at least 50,000 inhabitants. An MSA may also include outlying counties which have close economic and social relationships with the central counties. The outlying counties must have a specified level of commuting to the central counties and and must also meet standards regarding metropolitan character, such as population density, urban population, and population growth.~~

"Nursing facility beds" means inpatient beds which are located in distinct units of acute inpatient facilities which are licensed as long-term care units by the department. Beds in these long-term units are not included in the calculations of acute inpatient bed need.

"Off-site replacement" means the movement of existing beds off of the existing site of an acute care inpatient facility.

"Planning horizon year" means the particular year for which beds are projected to be needed.

"Relevant reporting period" means the most recent 12 month period, prior to the beginning of the Certificate of Public Need application's review cycle, for which data is available and acceptable to the department.

"Skilled nursing units (SNF)" means those units which provide patient care at a level of care below that normally requried in an acute care setting and greater than that of an intermediate care nursing facility. Although such units often have lengths of stays of less than 30 days, they are considered nursing facility beds and are excluded in calculations of acute care inpatient bed need.

"Staffed beds" means that portion of the licensed or approved beds that are immediately available to be occupied. Beds which are not available due to lack of staffing or renovation are excluded from this category.

12 VAC 5-240-20. Accessibility.

Acute care inpatient facility beds should be within ~~45~~ 30 minutes ~~average~~ driving time, under normal conditions, of 90% of the population of a planning district.

Providers of acute care inpatient facility services serving rural areas should facilitate the transport of patients residing in rural areas to needed medical care facilities and services, directly or through coordinated efforts with other organizations. Preference will be given in the review of competing applications to applicants who can document a history and commitment to development of transportation resources for rural populations.

12 VAC 5-240-30. Availability.

A. Need for new service.

1. No new acute inpatient care beds should be approved in any planning district unless the resulting number of licensed and approved beds in a planning district does not exceed the number of beds projected to be needed, for each acute inpatient bed category, for that planning district for the fifth planning horizon

year.

2. Notwithstanding the need for new acute inpatient care beds above, no proposals to increase the general medical/surgical and pediatric bed capacity in a planning district should be approved unless the average annual occupancy, based on the number of licensed beds in the planning district where the project is proposed, is at least 85% for the relevant reporting period.

3. Notwithstanding the need for new acute inpatient beds above, no proposals to increase the intensive care bed capacity in ~~a metropolitan statistical area~~ a non-rural area should be approved unless: (i) the average annual occupancy rate, based on the number of licensed beds in the ~~MSA~~ non-rural area where the project is proposed, is at least 65% for the relevant reporting period; or (ii) for hospitals ~~outside of an MSA~~ in rural areas, the number of beds projected to be needed to provide 99% probability that adequate bed capacity will exist for all unscheduled admissions, exceeds the number of licensed beds projected for the fifth planning horizon year.

B. Off-site replacement of existing services.

1. No proposal to replace acute care inpatient beds off-site, to a location not contiguous to the existing site, should be approved unless: (i) off-site replacement is necessary to correct life safety or building code deficiencies; (ii) the population served by the beds to be moved will have reasonable access

to the acute care beds at the new site, or the population served by the facility to be moved will generally have comparable access to neighboring acute care facilities; and (iii) the beds to be replaced experienced an average annual utilization of 85% for general medical/surgical beds and 65% for intensive care beds in the relevant reporting period.

2. The number of beds to be moved off-site must be taken out of service at the existing facility.

3. The off-site replacement of beds should result in a decrease in the licensed bed capacity of the applicant facility(ies) or substantial cost savings, cost avoidance, consolidation of underutilized facilities, or in other ways improve operation efficiency, or improvements in the quality of care delivered over that experienced by the applicant facility(ies).

C. Alternative need for the conversion of underutilized licensed bed capacity. For proposals involving a capital expenditure of $1 million or more, and involving the conversion of underutilized licensed bed capacity to either medical/surgical, pediatric or intensive care, consideration will be given to the approval of the project if: (i) there is a projected need for the category of acute inpatient care beds that would result from the conversion; and (ii) it can be reasonably demonstrated that the average annual occupancy of the beds to be converted would reach the standard in subdivision B 1 of this section for the bed category that would result from the conversion, by the first year of operation.

D. Computation of the need for general medical/surgical and pediatric beds.

1. A need for additional acute care inpatient beds may be demonstrated if the total number of licensed and approved beds in a given category in the planning district where the proposed project will be located is less than the number of such beds that are projected as potentially necessary to meet demand in the fifth planning horizon year from the year in which the application is submitted.

2. The number of licensed and approved general medical/surgical beds will be based on the inventory presented in the most recent edition of the State Medical Facilities Plan or amendment thereof, and may also include subsequent reductions in or additions to such beds for which documentation is available and acceptable to the department. The number of general medical/surgical beds projected to be needed in the planning district shall be computed using the following method:

a. Determine the projected total number of general medical/surgical and pediatric inpatient days for the fifth planning horizon year as follows:

(1) Sum the medical/surgical and pediatric unit inpatient days for the past three years for all acute care inpatient facilities in the planning district as reported in the Annual Survey of Hospitals;

(2) Sum the planning district projected population for the same three year period as reported by the Virginia Employment Commission;

(3) Divide the sum of the general medical/surgical and pediatric unit inpatient days by the sum of the population and express the resulting rate in days per 1,000 population;

(4) Multiply the days per 1,000 population rate by the projected population for the planning district (expressed in 1,000s) for the fifth planning horizon year.

b. Determine the projected number of general medical/surgical and pediatric unit beds which may be needed in the planning district for the planning horizon year as follows:

(1) Divide the result in subdivisions D 2 a (4) (number of days projected to be needed) by 365;

(2) Divide the quotient obtained by .85 in planning districts in which fifty percent or more of the population resides in non-rural areas and .75 in planning districts in which less than fifty percent of the population resides in non-rural areas.

c. Determine the projected number of general medical/surgical and pediatric beds which may be established or relocated within the planning district for the fifth planning horizon year as follows:

(1) Determine the number of licensed and approved medical/surgical and pediatric beds as reported in the inventory of the most recent edition of the State Medical Facilities Plan, available data acceptable to the department;

(2) Subtract the number of beds identified in 2 a above from the number of beds needed as determined in 2 b (2). If the difference indicated is positive, then a need may be determined to exist for additional general medical/surgical or pediatric beds. If the difference is negative, then no need shall be determined to exist for additional beds.

E. Computation of need for distinct pediatric units.

1. Beds used to form pediatric units must be taken from the inventory of general medical/surgical beds of a facility if need for additional such beds cannot be demonstrated.

2. Should a hospital desire to establish or expand a distinct pediatric unit within its licensed bed capacity, the following methodology shall be used to determine the appropriate size:

a. Determine the utilization of the individual hospital's inpatient days by persons under 15 years of age:

(1) Sum the general medical/surgical (including pediatric unit) inpatient days for the past three years for all patients under 15 years of age from hospital discharge abstracts;

(2) Sum the planning district projected population for the 0 to 14 age group for the same three year period as reported by the Virginia Employment Commission;

(3) Divide the sum of the general medical/surgical days by the sum of the population and express the resulting rate in days per 1,000 population;

(4) Multiply the days per 1,000 population rate by the projected population age 0 to 14 for the planning district (expressed in 1,000s) for the fifth planning horizon year to yield the projected pediatric patient days;

(5) Divide the patient days by 365 to yield the projected average daily census (PADC);

(6) Calculate the number of beds needed to assure that adequate bed capacity will exist

with a 99% probability for an unscheduled pediatric admission using the following formula:

Number of pediatric beds allowable = PADC + 2.33vPADC

F. Computation of need for intensive care beds.

1. The number of licensed and approved intensive care beds will be based on the inventory presented in the most recent edition of the State Medical Facilities Plan or amendment thereof, and may also include subsequent reductions in or additions to such beds for which documentation is available and acceptable to the department.

2. The number of intensive care beds projected to be needed in the planning district shall be computed using the following method:

1. Determine the projected total number of intensive care inpatient days for the fifth planning horizon year as follows:

a. Sum the intensive care inpatient days for the past three years for all acute care inpatient facilities in the planning district as reported in the annual survey of hospitals;

b. Sum the planning district projected population for the same three year period as reported

by the Virginia Employment Commission;

c. Divide the sum of the intensive care days by the sum of the population and express the resulting rate in days per 1,000 population;

d. Multiply the days per 1,000 population rate by the projected population for the planning district (expressed in 1,000s) for the fifth planning horizon year to yield the expected intensive care patient days.

2. Determine the projected number of intensive care beds which may be needed in the planning district for the planning horizon year as follows:

a. Divide the number of days projected in 1 d by 365 to yield the projected average daily census (PADC);

b. Calculate the beds needed to assure with 99% probability that an intensive care bed will be available for the unscheduled admission:

Number of intensive care beds needed = PADC + 2.33vPADC

3. Determine the projected number of intensive care beds which may be established or relocated within the planning district for the fifth planning horizon year as follows:

a. Determine the number of licensed and approved intensive care beds as reported in the inventory of the most recent edition of the State Medical Facilities Plan, an amendment thereof, or the inventory after subsequent documented reductions or additions have been determined by the department.

b. ~~Substract~~ Subtract the number of licensed and approved beds identified in 3 a above from the number of beds needed as determined in 2 b. If the difference indicated is positive, then a need may be determined to exist for additional intensive care beds. If the difference is negative, then no need shall be determined to exist for additional beds.

I certify that this regulation is full, true, and correctly dated.

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E. Anne Peterson, M.D., M.P.H.
Acting State Health Commissioner